

EASTSUFFOLK
COUNCIL

PROCUREMENT STRATEGY

2024 - 2028



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Introduction

East Suffolk Council spends around £80 million a year to buy the goods, works and services needed to do our work. How we procure these contracts has a direct impact on the ways in which we provide value through our services to local people, community organisations and businesses and contribute towards the Council's strategic directives in Our Direction 2028.

Procurement has been gaining more of a profile in recent times, as the combination of the pandemic, climate emergency, Brexit and cost of living crisis has led to pressures on the public purse and increasing awareness that when procurement is done right, there is the potential to have a real transformative effect on the local community and economy.

This requires a fundamental reappraisal as to how we view procurement and contract management in the Council and recognise it as a mainstream, strategic discipline.

This strategy has four main strategic themes or "pillars" with key priorities underpinning each of them which we will deliver against during its term. The pillars of this procurement strategy are based on the foundation of good governance which supports all themes.

Development

This Procurement Strategy has been developed following an officer and councillor workshop held during January 2024. The intention was to update the previous strategy 2022-25 which was developed after a diagnostic carried out by external consultants.

Feedback from the workshop has informed the development of this strategy and, as a result, it was felt necessary to revise, reorganise and partly rewrite the previous strategy to one that aligned with Our Direction 2028 and the ambitions of the new administration.

A draft was shared with members and further feedback invited before a final version was presented to Cabinet for approval.



Theme 1 Social Value

Maximising the benefits that can be delivered by suppliers in the community for every £1 the Council spends.

Priorities underpinning this theme:

- Supporting local people
- Achievable Social Value outcomes
- Monitoring delivery of Social Value

This theme contributes to the following priorities in Our Direction 2028:

- ↳ Tackling Inequalities
- ↳ Thriving Economy



Theme 2 Environment

Procuring in a way that contributes to positive environmental outcomes for East Suffolk.

Priorities underpinning this theme:

- Environmentally responsible materials
- Education
- Green procurement choices

This theme contributes to the following priorities in Our Direction 2028:

- ↳ Environmental Impact



Theme 3 SMEs and Local Businesses

Supporting local businesses and SMEs to access Council contract opportunities.

Priorities underpinning this theme:

- Access to opportunities
- Engaging local supply chain
- Training

This theme contributes to the following priorities in Our Direction 2028:

- ↳ Tackling Inequalities
- ↳ Thriving Economy



Theme 4 Ethical Procurement

Encouraging ethical decision making in our procurement activities.

Priorities underpinning this theme:

- Ethical tax practices
- Working conditions
- Fairtrade
- Equality, Diversity and Inclusion

This theme contributes to the following priorities in Our Direction 2028:

- ↳ Tackling Inequalities
- ↳ Thriving Economy
- ↳ Sustainable Housing
- ↳ Environmental Impact



Foundation - Good Governance

Making sure we are spending public money responsibly and compliantly by making the right decisions at right time to ensure value for money is achieved.

Priorities underpinning this theme:

- **Legislative Compliance**
- **Training**
- **Upskilling the Procurement Team**
- **Spend Analysis/Key Performance Indicators**
- **Awareness and officer responsibility**
- **Contract Management**
- **Forward Planning**
- **Engaging with Suppliers**

This theme contributes to the following priorities in Our Direction 2028:

- ↳ **Tackling Inequalities**
- ↳ **Thriving Economy**
- ↳ **Sustainable Housing**
- ↳ **Environmental Impact**





Theme I Social Value

Social Value is a concept around how we can maximise the impact of public expenditure to secure wider social, economic and environmental benefits. It recognises that public sector spending can have a real transformative impact in the local area beyond just the transactional process of paying a supplier to deliver a contract. It focuses on what additionality in the delivery of that contract a supplier can bring to the communities of East Suffolk.

Priorities



Supporting local people - making sure benefits of procurement decisions are felt by the local community.



Achievable Social Value outcomes - being smarter in what we ask for and how.



Monitoring delivery of Social Value - knowing that Social Value promised by suppliers is delivered.

What we will do

- Ensure that Social Value is understood by officers throughout the Authority and is embedded in appropriate contracts with successfully achieved outcomes.
- Provide training on Social Value to businesses to help them understand how to evidence their activities in tender responses.
- Look at how we can tailor Social Value outcomes to the communities of East Suffolk.
- Prepare an annual report of the summary of Social Value outcomes.

Without

- Being too specific with Social Value questions which could put some suppliers, particularly SMES and local businesses, at a disadvantage.
- Resulting in Social Value being sought at the expense of delivery, recognising cost pressures and the need that both the operational and Social Value outcomes be achieved.



Theme 2 Environment

The Council is committed to achieving net zero by 2030 and the way that we spend our money, and the organisations that we contract with, is a major contributor to the fulfilling of our environmental and sustainability priorities. We want to deliver procurements which support positive climate, nature and environment impacts.

Priorities



Environmentally responsible materials - making sure that we are sourcing materials in our contracts which have positive environmental impacts.



Education - making sure our officers build in environment considerations in their specifications.



Green procurement choices - weighting our contracts so that environmental criteria have an impact on the outcome of the tender such as reduction of pollution, energy efficiency, reducing waste and recycling and offsetting initiatives.

What we will do

- Ensure all new procurement activities consider environmental objectives as part of their sourcing and selection process, prioritising reusing, and recycling of materials and reduction of single use plastics where appropriate.
- Ensure that East Suffolk Council's commitment to being carbon neutral by 2030 is considered in every procurement exercise.
- Work with our Environment and Climate Change team to find ways to improve environmental standards in both the procurement process and service area contract management activities through a checklist for suppliers, training and a new policy which suppliers must adhere to.
- Training of officers and suppliers in how to deliver sustainable outcomes through contract management.
- Encourage suppliers to make ethical choices in terms of investment in green companies and not investing in fossil fuel companies through the questions we ask in tenders and contractual requirements.

Without

- Being too specific that it could put some suppliers, particularly SMES and local businesses, at a disadvantage.
- Ignoring cost pressures and operational constraints which may mean the impact of green procurement choices would be reduced.



Theme 3 Supporting SMEs and Local Businesses

Working effectively with local businesses, voluntary and community groups and social enterprises and SMEs to shape and inform our thinking and grow the local economy. We will engage with local suppliers to ensure that they are supported to be able to work with the Council where appropriate.

Priorities



Access to opportunities - making sure that local businesses and SMEs know about the council contracts and how they can successfully bid for them.



Engaging local supply chain - engaging the market ahead early in the procurement process to get a successful outcome.



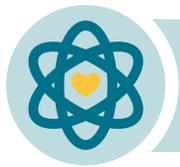
Training - to provide face to face training events on how to submit tenders and our expectations.

What we will do

- Identify potential procurement exercises where local businesses can be encouraged to bid.
- Understand the needs and concerns of local businesses, especially where we can make things easier and quicker for them during a procurement process.
- Provide workshops for the business community including setting out where to seek new business opportunities, how to respond to council invitations to quote / tender, prepare good proposals and bids, whether that be as a main or sub- contractor.
- Promote the Council as a positive organisation for businesses to want to do business with.
- Engage early in the process with the business community and to identify opportunities to prepare the local market and encourage involvement from local businesses.
- Review our procurement processes to make sure they are proportionate and accessible.

Without

- Disregarding regulatory compliance which does not allow for exclusion of suppliers on grounds of supplier location.
- Increasing the burden for suppliers to bid on our contracts.



Theme 4 Ethical Procurement

Encouraging suppliers to make the right ethical choices in their business practices by making our intentions clearer as to the kind of suppliers we want to contract with.

Priorities



Ethical tax practices - expecting exemplary tax practices from our suppliers and their supply chain.



Working conditions - encouraging suppliers to pay the Living Wage where possible, making sure Health and Safety of workers are considered, Zero hour contracts avoided where appropriate and Modern Slavery in the supply chain does not exist.



Fairtrade - supporting Fairtrade if applicable and other initiatives which align with the Council's principles.



Equality, Diversity and Inclusion - how do suppliers promote equality and diversity, work against discrimination and make opportunities in their organisation are inclusive.

What we will do

- Encourage suppliers to make ethical choices in terms of employment behaviours and tax obligations through the questions we ask in tenders and contractual requirements.
- Be clear in our expectations of suppliers' ethical choices.
- Be transparent in our procurement activities.
- Assess and mitigate conflicts of interests.
- Include ethical requirements in our procurement activities such as sourcing from responsible sustainable companies free of animal-testing in their supply chain.
- Include our ambitions around Equality, Diversity and Inclusion in Social Value Asks and reinforce through our procurement processes.
- Use data about EDI to inform our procurement processes where appropriate.

Without

- Ignoring cost pressures and operational constraints which may mean the impact of ethical procurement choices would be reduced.
- Increasing the burden for suppliers to bid on our contracts.



Foundation for our themes: Good Governance

Why is this important?

The themes above are not achievable without a strong foundation of good governance leading to smarter procurement processes throughout the Council. We need to rethink our approach to managing the procurement life cycle- considering market engagement, tendering, contract, and relationship management as whole and not activities in isolation.

We need to maintain sound governance, transparency, accountability, and probity with proportionality in our operational processes. This will support officers to take responsibility for their procurement and contract management activities, reduce instances of off-contract and non-compliant spend and ensure value for money is achieved.

Priorities



Legislative Compliance - making sure that any procurement we do is compliant with applicable regulations.



Training - acknowledging that we need to make the most of our people, further increasing their capacity, knowledge, and skills on all aspects of procurement and contract management and gain their buy in to our transformation journey.



Upskilling the Procurement Team - Ensuring that we further develop our existing Procurement Team through training and professional development.



Spend Analysis/Key Performance Indicators - identifying areas of spending which may be non-compliant, making buying decisions based on data, expanding the East Suffolk pound.



Awareness and officer responsibility - raising awareness of the Council's procurement rules, reviewing and revising procedures to ensure compliant spending leading to officers taking responsibility for their spending activities.



Contract Management - ensuring sound contract management practices are in place to support the intended outcomes of the Council's contractual agreements.



Forward Planning - improving our forward planning capability, informing resource planning and the launch and timing of future procurement exercises.



Engaging with suppliers - talking to the market before procurement opportunities are advertised to promote better responses.

What we will do

- Ensure that our policies and procedures reflect latest legislation and are both current and fit for purpose, including the use of value thresholds and procurement routes.
- Ensure that health and safety compliance is considered at all stages in procurement of goods and services.
- Ensure that the Procurement Team works closely with Legal services on the drafting of contracts and the review of terms and conditions.
- Review and update the current processes around approvals and compliance, in particular the exemptions process.
- Analyse our third-party expenditure and target opportunities to save money and maximise efficiency and economies of scale base and help create a vibrant supply chain.
- Put new procurement planning procedures in place to improve our forward planning capability.
- Put a corporate contract management approach in place to ensure value from our contracts is being delivered.
- Identify key post holders within service areas engaged in significant levels of procurement and/or contract management for ongoing training and support.
- Ensure the members of the Procurement Team have access to quality training to support them in their role.
- Focus on achieving value for money by balancing the need for acceptable whole life costs of contracts with quality requirements.
- Work with our Digital Team to ensure Cyber Security of our contracts is considered.

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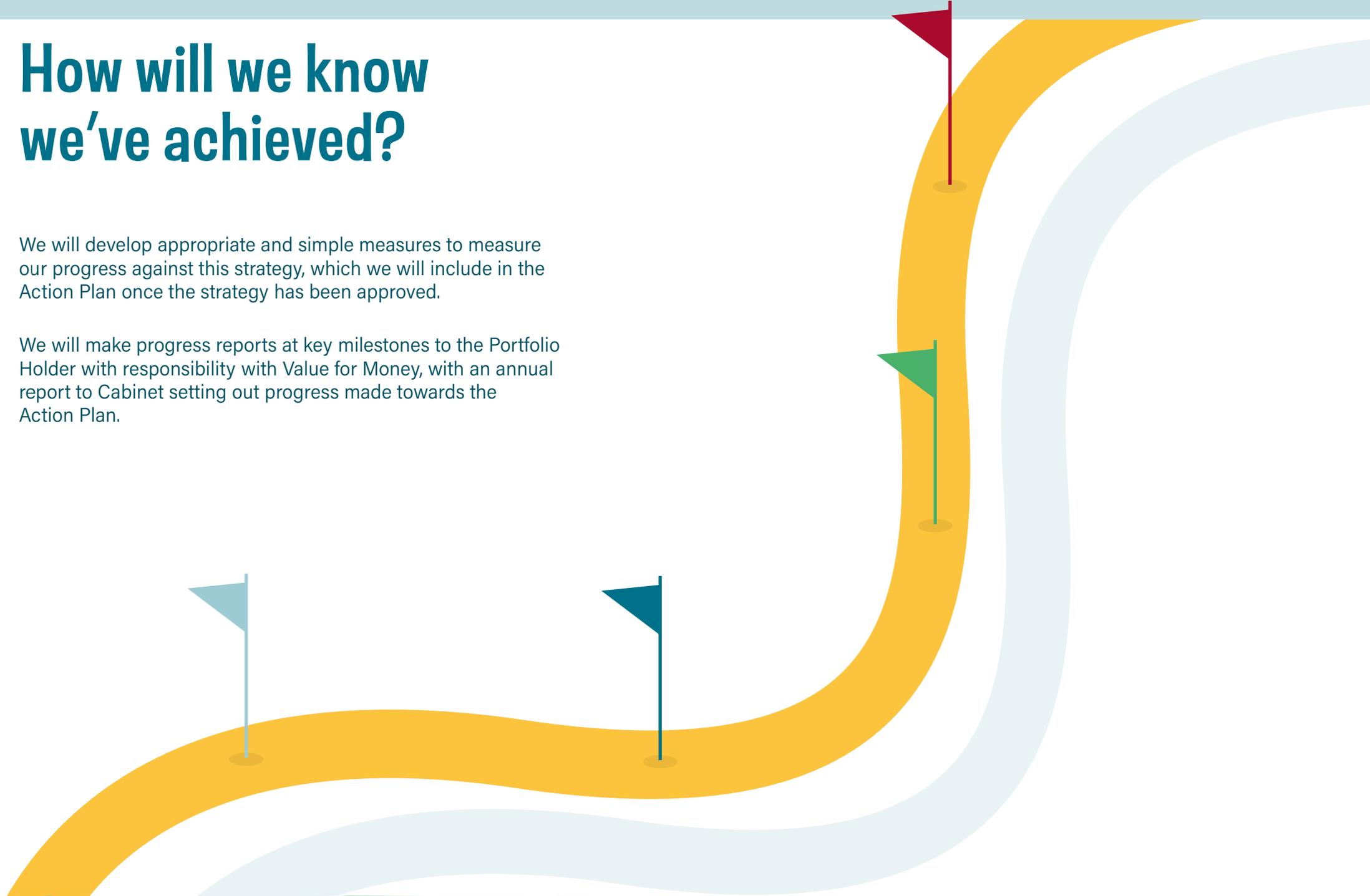
- Reducing officers' autonomy to carry out quotes processes where appropriate.
- Reducing the Council's ability to react to unexpected and urgent requirements in timely fashion.
- Introducing contract management requirements which are not proportionate to the value and complexity of the contract.

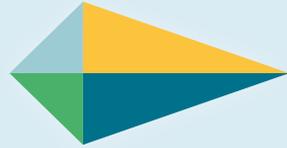


How will we know we've achieved?

We will develop appropriate and simple measures to measure our progress against this strategy, which we will include in the Action Plan once the strategy has been approved.

We will make progress reports at key milestones to the Portfolio Holder with responsibility with Value for Money, with an annual report to Cabinet setting out progress made towards the Action Plan.





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